

## Message Text

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51

ACTION XMB-07

INFO OCT-01 EUR-25 NEA-14 ISO-00 SSO-00 INRE-00 EB-11

COME-00 TRSE-00 CIAE-00 INR-11 NSAE-00 RSC-01 PA-04

PRS-01 USIE-00 OMB-01 CIEP-03 AID-20 DRC-01 /100 W

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FM USINT ALGIERS

TO SECSTATE WASHDC IMMEDIATE 1132

INFO AMEMBASSY BONN

AMEMBASSY LONDON

AMEMBASSY PARIS

AMEMBASSY ROME

UNCLAS ALGIERS 2051

PASS EXIM FOR MORAN

E.O. 11652: N/A

TAGS: EFIN, AG

SUBJ: EXIM LOAN FOR GTE HOME ELECTRONICS PROJECT

REF: ALGIERS 2044

1. ALGERIAN NEWSPAPER EL MOUDJAHID OF SEPTEMBER 25, 1974, HAD A FRONT PAGE HEADLINE AND PHOTO OF SIGNING CEREMONY FOR RADIO/TV PLANT BETWEEN SONELEC AND AMERICAN FIRM.

2. ARTICLE DESCRIBES PROJECT AS COSTING 232 MILLION DOLLARS INCLUDING LOCAL DINAR PAYMENTS. PLANT WILL START OPERATIONS IN 1977. (TOTAL PRICE IS MADE UP OF 181 MILLION BASE PRICE PLUS 17 MILLION FOR COLOR TV AND 34 MILLION FOR FULL PRODUCTION OF SEMI-CONDUCTORS.)

3. PLANT WILL PRODUCE ANNUALLY 190,000 BLACK AND WHITE TV SETS; 50,000 COLOR TV SETS; 450,000 RADIOS OF VARIOUS TYPES; 70,000 TAPE RECORDERS; UHF AND VHF TUNERS; 250,000 CATHODE TUBES; 51,800 SQUARE METERS

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OF PRINTED CIRCUITS; 10 MILLION FILTER COILS; 3 MILLION

TRANSFORMERS; 812,000 LOUD SPEAKERS; AS WELL AS DIODES, TRANSISTORS, ANTENNAS AND OTHER ELECTRONICS EQUIPMENT.

4. THE LEVEL OF ALGERIAN INTEGRATED CONSTRUCTION WILL BE 81 PERCENT FOR TV, 75/88 PERCENT FOR RADIOS AND 60 PERCENT FOR TAPE RECORDERS.

5. THE PLANT WILL COVER AN AREA OF 105,000 SQUARE METERS AT SIDI BEL-ABBES. IT WILL CREATE 5800 INDUSTRIAL JOBS INCLUDING 230 ENGINEERS, 620 TECHNICIANS, AND 700 QUALIFIED WORKERS. 1500 OF THESE JOBS WILL BE RESERVED FOR WOMEN. (GTE MAY SEND AS MANY AS 180 TECHNICIANS TO OVERSEE CONSTRUCTION).

6. COMMENT: IT IS INTERESTING TO NOTE THAT WITH ALL THE ABOVE FACTS THE ARTICLE NEVER MENTIONS THE NAME OF THE AMERICAN FIRM. THOUGH THE ARTICLE SAYS THE NEW PLANT WILL PRODUCE COLOR TV THE TYPE OF TV, PAL OR SECAM, HAS NOT YET BEEN DECIDED. ACTUALLY COLOR TV WILL ONLY BE ASSEMBLED. THE ALGERIAN TECHNICIANS ARE LEANING TOWARD PAL, BUT POLITICAL FACTORS SUCH AS FRENCH PRESIDENT GISCARD'S VISIT EARLY IN 1975 AND THE DECISION OF OTHER ARAB STATES ON A COLOR TV SYSTEM WILL WEIGH HEAVILY IN ALGERIAN DECISION.

7. AS REPORTED REFTEL SONELEC HAS 60 DAYS TO FINANCE PROJECT, BUT ALSO GTE IS COMMITTED TO BEST EFFORTS TO FIND FINANCING FOR NEXT 30 DAYS.

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANK LOANS, PROGRAMS (PROJECTS), ELECTRONICS INDUSTRY  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 25 SEP 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
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**Disposition Event:**  
**Disposition History:** n/a  
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**Drafter:** n/a  
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**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ACTION XMB  
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**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** ALGIERS 2044  
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**Review Transfer Date:**  
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**Status:** NATIVE  
**Subject:** EXIM LOAN FOR GTE HOME ELECTRONICS PROJECT  
**TAGS:** EFIN, AG  
**To:** STATE  
**Type:** TE  
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